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Date: 3/1/2013

GAIN Report Number: RO1308

Romania

Post: Bucharest

Romania Proposes to Prohibit Import and Cultivation of Biotech Products

Report Categories:

Biotechnology - GE Plants and Animals

Agriculture in the News

Approved By:

Michael Henney, Agricultural Attaché

Prepared By:

Monica Dobrescu, Agricultural Specialist

Report Highlights:

Following public declarations by the Prime Minister and Minister of Agriculture on their desire for GM-free Romania, Romania's Parliament took up the new cause with initiation of debate on a draft law calling for interdiction on cultivation, import and marketing of products enhanced through biotechnology. If approved, the livestock industry – specifically the swine and poultry sectors, would face the immediate challenge of replacing soy proteins in the feed ration with non-GM component. In 2012, Romania's soy protein imports totaled 530,000 MT valued at \$265 million, of which United States accounted for USD 30 million.

General Information:

In February this year, one of the members of the lower Chamber of the Romanian Parliament (Chamber of Deputies) and member of the Social-Democrat Party (currently in power) has advanced for Parliament debate a draft law on Biotechnology (the full text of the law is placed at the end of this report). The aim of the draft is to impose a moratorium on imports, marketing, and cultivation of biotech products and products containing GM.

The Senate is the first chamber to discuss the proposal and, according to the regular procedure, the Legislative Council and the Romanian Government are to submit their points of view. The decisional Chamber is the Chamber of Deputies, which means that even if approved by the Senate, the Chamber of Deputies can reject the proposal and that would be the final outcome.

The new proposal comes soon after the Romanian leaders manifested, through public statements and actions, a preference for organic products and rejection of biotech products. The Prime Minister recently stated in an interview that he is against Genetically Modified Organisms (GMOs), not only because of human health concerns, but also because Romania has a tremendous chance to be one of the European champions in organic production, which may bring profits to small farms in Romania.

In the past, members of the Romanian Parliament put forward similar proposals aimed at blocking biotech crops cultivation, but none of them made any attempt to block imports, given the current legal framework which regulates biotech products at EU level. Imported products derived from approved biotech varieties, has been the norm given the high dependence of the domestic animal sector on soybean and products.

Soybeans cultivation on a declining trend

In 2007, when Romania became an EU member, Round-up Ready soybean cultivation was prohibited. In 2001, Romanian farmers planted 15,000 hectares with biotech soybeans and the figure steadily climbed as farmers experienced the advantages of this new technology, especially in response to Romania's huge weed reserve. The area under soybeans in 2006 reached 190,000 HA, generating a production of about 380,000 MT. Almost 70 percent of this area (130,000 HA) was planted with biotech soybeans. Since 2006, the acreage covered with soybeans dropped to half, floating around 75,000 HA (120,000 MT) in recent years, as farmers' interest waned due to its high cost of production.

Currently the only genetically modified crop under commercial cultivation in Romania is MON 810 insect resistant corn. In 2012, an area of 217 hectares was cultivated with biotech corn, mainly for planting seeds production.

If approved, the new draft law would clearly place at risk biotech seeds producers and would interfere with farmers' freedom to choose the types of crops to be planted, conventional, biotech or organic.

More pressure on the livestock sector

Although the effect on cultivation is not negligible, the direct and large impact will be on the import and marketing side. The domestic soybean production covers only partially the local industry feed needs, thus the major part of feedstuff for the hog and poultry industries is produced with imported soybeans and soy meal. Annually the volume/value reaches approximately 530,000 MT (\$265 million), of which soybean meal accounts for 470,000 MT (\$225 million). Major suppliers are Brazil and Argentina. United States is the third-ranking supplier, exports to Romania being forecast to reach 45,000 MT soybean and meal valued at about \$30 million at the end of 2012. Other products like soybean oil, and corn-derived products like corn gluten feed and distilled dry grains soluble (DDGS) have not been considered when assessing the effects, but it is clear they would be affected.

If such draft law does become enacted, the livestock industry would need to source protein substitutes to replace the imported bio-engineered soybeans and soybean meal, which would pose a major challenge.

At EU level, only about 15 percent of the imported soybean complex is non-GM, clearly showing the global availability and industry preference for protein sources holding a biotechnology enhancement. Therefore, it remains to be seen to what level the Romanian livestock industry would survive under such scenario and to what extent consumers would be able to afford higher costing meats in their diet.

The text of the draft law follows attached.

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LAW

Concerning the prohibition of cultivation and import of genetically modified organisms and prohibition of import, production and marketing of products containing genetically modified organisms

The Romanian Parliament adopts the present law:

ART. 1

Cultivation and import of Genetically Modified Organisms (GMO) in Romania are forbidden.

ART. 2

Import, production, and marketing of products containing Genetically Modified Organisms (GMO) in Romania are forbidden.

ART. 3

The following acts are considered law breakings, if not produced in such conditions to be considered infraction, and bear the following penalties:

- a. *Infringement of Art. 1 and Art. 2 with a penalty from 100,000 LEI to 1,000,000 LEI for individuals and 1,000,000 LEI to 10,000,000 LEI for commercial companies.*

ART. 4

When the present law will be enacted, any existing contrary legal provision provided by the Romanian legislation, will be revoked.

ART. 5

The present law will be enforced within 60 days from the publication date in the Romanian Official Journal, Part 1.

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